



Budget Results Council
MEETING NOTES
April 29, 1998
Forrestal Building
Washington, D.C.

Attendees: Tom Baranouskas-PNNL, Eli Bronstein-EM, Ralph Delorenzo-ER, Jeffrey Fernandez-LLNL, Bruce Hanni-Bechtel NV, Lyn Henderson-HQ, Tony Lane-DP, Jon Mathis-HQ, Brian Morishita-LMITCO/FMSIC, Terry Olsen- LMITCO, Judy Penry-ORO, John Pesocolido-SRO, Chuck Roy-NE, Betty Smedley-HQ

Facilitator: Maureen Gallen

REPORT ON CURRENT BUDGET STATUS

- The Budget Resolution has been passed, by the Senate but not the House.
- Rep. Kasich is offering an alternative in which there would be 050 non-discretionary reductions to fund the Transportation Bill. There is currently an exercise to see what 90% or 85% of non-050 would look like.
- The President's FY 1999 budget assumed revenues from a settlement with the tobacco companies. Now that Congress has not approved this deal, there may be a shortfall.
- Expect no growth from FY 1998 to FY 1999 overall in the federal budget.
- Not anticipated to receive FY 1999 funding based upon what was requested.
- The Energy and Water Subcommittee will probably increase FY 1999 funding for the Army Corps of Engineers beyond the President's budget request.
- Estimate that House will mark-up in the 1st half of June and the Senate after 4th of July.
- The current Supplemental Bill has little impact on DOE.
- There is a problem with the SPRO oil sale, given the recent large drop in the price of oil. Either there will have to be offsets from other programs, or an emergency can be



declared to avoid sequestration. However, Congress is unlikely to declare an emergency as they want to avoid setting a precedent of easily avoiding fiscal pain.

- FY 2000 process: program offices are to submit budgets to CFO on June 3. The summer will have a simultaneous planning and budget process. There is supposed to be more field involvement in the summer budget process through the Internet (the data will be password protected).
- The budget is now in portrait format based upon a template that was developed. Assistant secretaries will be able to view on the web what other sites are doing and pickup on disconnects. Scheduled completion date is August 1, 1998.

CHANGES TO THE BRC CHARTER WERE APPROVED (Hardcopy Markup handed out at the meeting)

STATUS REPORTS AND DISCUSSION OF WORKING TEAM ACTIONS

- Prepare Report on Limited Year Appropriations status - John Pesco - (Hardcopy handout provided at the meeting).
 - John sent a letter to all field offices requesting input.
 - The driver behind this initiative is the National Defense 1998 Act which would require a transition plan from no year to limited year appropriations. Specific concerns are with uncashed balances within no year appropriations.
 - Goal is to have the document ready for HQ review by July 1.
 - Even though one major DOE appropriation account is on a limited year obligational availability basis for FY 1998, many of the impacts on this account will not become clear until the end of FY 1998.
 - For construction, incremental funding works better with no-year funding. DOE could need full funding of construction if a change is made to limited obligational availability.
 - NASA is the only other major federal organization that has integrated contractors. It is worth noting that only DOE and NASA got clean opinions on their books.
 - Need to look at NASA for impacts.
 - In discussion:
 - Recommended that FMSIC address related accounting issues.
 - Betty Smedley will present John's presentation at the May FMSIC All-Contractors Meeting.



- Plan is to create a transition plan with a schedule and list of required resources. The report needs to state that additional resources will be required, among other things, to do the additional tracking.
 - The report must address the issue of why multi-year obligational availability is not good enough for DOE purposes.
 - Change the implementation timetable from FY 2001 to X number of years after Congress makes a decision.
 - Need to explain in the report why DOE was able to quickly implement one year obligational availability for one appropriation account, but could only implement on the above timetable for other DOE appropriation accounts.
 - Need to note that Congressional authorizers think that limited obligational availability will reduce uncosted balances (note: it won't, but will instead likely increase them) and that the Energy and Water Subcommittee staff thinks that it will prevent use of these balances for programs denied by Congress. The report needs to provide alternative solutions for these Congressional concerns.
 - Decided that a subteam which is comprised of Bruce Hanni, Terry Olsen, Tony Lane and Jeffrey Fernandez discuss the issue with Rusty Johnson (Defense Authorizations).
 - The subteam would also develop a recommendation for system implementation of an automated AFP process.
 - Incremental funding (piecemeal funding) - deferred addressing this issue.
 - May want to re-introduce the pre-financing issue.
 - Note that limited obligational availability funds are no longer available for any DOE purpose after five years after the end of the period of obligational availability - there is no more 'M' account.
 - Will likely have to go back to bonafide need before obligation.
 - Defense Authorization could impose this requirement only on 050 appropriation accounts.
 - One year obligational availability would also limit reprogramming flexibility, given the time it takes to get Congressional approval of a reprogramming.
 - Discuss at the next BRC meeting the impact of this to DISCAS and MARS.
 - Once a recommendation is developed, need to have the IG review it.
 - Rather than locking in on a specific implementation date, need to articulate a three year implementation time frame with anecdotes included in the recommendation as needed.
- Chart Flow of Budget Process status - Eli Bronstein (Hardcopy)



- handout provided at meeting).
- There are choke points in the process, but it may not be possible to fix all of them as some times are always going to be busy.
- Hope that this chart will be a useful tool for John Pesco's group.
- Hope that this chart will help "7th Floor Special Assistants" recognize the best times to ask questions of the system (i.e., times when the 7th floor can get the best information at the lowest cost to DOE).
- Will be useful to include horror stories of problems in the current system.
- Requested that all BRC members, particularly field offices and contractors, review the draft and provide comments to Eli in a couple of weeks.
- BRC members need to have comments back to Eli by May 15.
- Need to train the planning personnel on the budget process.
- Streamline AFP Process status - Tom Baranouskas - (Hardcopy handout provided at meeting)
 - Objective is to reduce this process from 60+ days to 5 days.
 - The group will next work on a schedule. Hope to meet to accomplish this in early June.
 - Discussion:
 - There is concern about the BRC getting into DOE Order 5700. 5700 does a good job of defining how to provide work to the field. The streamlining effort should concentrate on the funding part of the process.
 - Problems with this process appears to emanate from how the process (order) is used.
 - The Council decided against getting involved with the revision of 5700 since it was agreed upon that the order is acceptable as written.
 - Recommend that the group directly approach HQ and Field offices that show the most potential for improvement and do one-on-one consulting with them.
 - Training and development of an automated funding notification are the priorities.
- Landlord Funding - Judy Penry - (Hardcopy handout provided at meeting)
 - Resolution of this issue is a long term prospect, but will set scope of the subteam to something that can be tackled fairly short term.
 - Landlord issues cross many other issues, such as maintenance.
 - Need good definitions in this area so that we can use the same words and mean the same things. A prerequisite for any useful discussions in this area.
 - Will address the issue of whether or not we need landlords for all sites.



- Will particularly focus on sites with multiple funding sources.
- Looking for barriers against multiple funding sources for facilities.
- The number of orphan facilities is growing.
- Discussion
 - Suggested that the word "landlord" be eliminated. DOE as a whole should take ownership and responsibility for the sites.
 - DP gives labs the option of deciding how much to spend on infrastructure. DP did not impose the amounts that are now claimed to be too low.
 - Unclear whether or not the field is involved in DP/EM facility handoff discussions.
- Define Major Elements of the Formulation Process - John Pesco (Hardcopy handout provided at meeting). Need to provide feedback to John on the proposed changes no later than August 15.
 - Council members will review the process, select a subprocess(es) to reengineer, develop recommendations and send to HQ.
 - In addition to the requested feedback members are to identify what they consider as the top three reengineering opportunities.
- Budget Benchmarking/The Hackett Group - Jon Mathis/Betty Smedley (Hardcopy handout provided at meeting).
 - Cannot conclude that the comparisons using the data in the study are valid. Therefore, delete reference to this study from the BRC charter.
 - Jon will contact HR/OPM to see if information is readily available on the number of GS/GM-560s, 540s and 345s in other Federal agencies.
- Lab/State Tables - Add Prior Year Actual column - Lyn Henderson
 - The data is in there.
 - Field representatives are to take another look at the report to see if it can be improved, and communicate any recommendations to Henderson.
- New Business/New Tasks
 - Need to create and provide mandatory training for program personnel on financial issues including funds control and GC issues.
 - Tony Lane has some Base Commander concepts to share at some point.
- Summarization and Recap of Action Items and Responsibilities - Fernandez



- Limited Year Appropriation - must be ready to go to Congress by the next meeting.
 - Process Flow Chart - Contractors and Field Offices need to provide their piece of the action.
 - Work Authorization - Need description of near term activities and commendations for next steps.
 - Landlord - Will survey field offices to gain additional information.
 - Formulation Process - Everyone provides top three issues in this process.
 - Financial Offices - Jon will collect government wide statistics.
 - New Task - Tony will present out-of-the box ideas on Landlord/Base Commander concept.
-
- Date and Location of the Next BRC Meeting - 9/16/98 9:00



ACTION ITEM LIST

The following is a list of action items which came out of the last BRC meeting:

<u>Action</u> <u>Date</u>	<u>Lead</u>	<u>Due</u>
Confirm Next BRC Meeting Date of 09/16/98	All	ASAP
Incorporate changes to the BRC Charter	Mathis	Next Meeting
Prepare Report On Limited Year Appropriations	Pesocolido	09/98
Chart (Map) Flow Of Budget Process	Bronstein	Status at next meeting
Provide comments on mapping to Bronstein	All	May 15
Streamline AFP Process (Automation)	Baranouskas	(due 6 – 9 months)
Send issues and best practices to Baranouskas	All	April 30
Multi Program Site Funding (tbd)	Penry	Long term
Survey and Scope Out	Penry	Next Meeting
Budget Formulation - Define Major Elements Of The Formulation Process	Pescosolido	Next Meeting
"Out Of The Box Agenda Items	Lane	Next Meeting
2 Year appropriation with mid-cycle supplemental	Lane	Next Meeting
Base commannder concept - spearate for each PSO by	Lane	Next Meeting
Appropriation B&R Structure and GPRA		
Zipperless/seamless financial organization	Lane	Next Meeting



how WASs are used. Survey to go to PSOs and Field CFOs